

Hexagon Composites Transparency Act Statement

Approved by the board of directors 29 March 2023

Our structure, operations and human rights management systems

Hexagon is a world leader in composite cylinder technology, enabling the safe delivery of clean energy. We are headquartered in Ålesund, Norway with international offices, production sites, and engineering hubs in 23 locations across Europe, Asia and North America. Hexagon Group is comprised of four business areas, all related to the provision of clean energy solutions. These include:

- Hexagon Agility: High-pressure natural gas cylinders and fuel systems for medium- and heavy-duty vehicles + mobile pipeline solutions for industry
- Hexagon Digital Wave: Innovative, software-based non-destructive testing of high-pressure vessels
- Hexagon Ragasco: Low-pressure liquid propane gas cylinders for domestic, leisure and industrial applications

- Hexagon Purus: High-pressure cylinders, vehicle systems and battery packs for fuel cell and battery electric vehicles

Our primary markets include commercial vehicles, passenger vehicles, gas distribution, home and leisure/small industrial applications, testing technologies, and maritime.

Hexagon respects internationally recognised human rights as set out in the International Bill of Human Rights and the ILO Core Conventions. Our approach to human rights is guided by the UN Guiding Principles on Business and Human Rights and is consolidated in our Policy on Human Rights and Working Conditions. The policy has been approved by the Hexagon Composites' Board of Directors and our Governance steering committee, which maintains oversight of human rights compliance, and applies to all branches of our organisation. We communicate the policy internally and externally and update it regularly. In addition, we have

policies that state a clear prohibition against child and forced labour, discrimination and outline our respect for the right to collective bargaining (e.g. Hexagon Code of Conduct, Supplier Code of Conduct, and Diversity and Inclusion Policy).

In addition, Hexagon is committed to actively conducting human rights due diligence in accordance with the Norwegian Transparency Act and OECD Guidelines for Multinational Enterprises. We remain committed to continuous improvement across our own operations and throughout our business relationships.

Within Hexagon, human rights are the responsibility of the "Governance-Team", which is responsible for governance-based policies. We perform periodic Group-wide risk assessments that consider relevant human rights risks. The risk assessments are presented to the Hexagon Composites' Board of Directors, and where high-risk areas are identified, relevant action items are accordingly established to mitigate the risk.

Hexagon's business relationships are governed by the Supplier Code of Conduct. This Code includes specific provisions related to human rights and working conditions, working hours and leave, wages and benefits, non-discrimination, fair treatment, and the absence of child and forced labour. The Supplier Code of Conduct is explicitly included in contractual terms and conditions with our business partners. We reserve the right to require suppliers to provide evidence of compliance and should adverse human rights impacts be identified, Hexagon maintains the ability to immediately terminate the business relationship and is committed to notifying relevant authorities of the violation and being involved with necessary remediation processes.

Due diligence responsibilities are placed throughout our operational structure, with ultimate responsibility for human rights due diligence seated in the Governance-Team, but with additional human rights due diligence responsibilities placed within each business area.

Hexagon's human rights due diligence

Our sector and geographic area of operations means that we have identified the following issues which we have been prioritising in recent years:

- Working hours and leave
- Wages and benefits
- Freedom of association and collective bargaining
- Supplier compliance
- Access to grievance mechanism

We work to ensure that our high standards are met and that these rights are respected across our organisation. In the last year, we have also worked to better understand our impact both in our own operations and supply chain and have conducted an assessment that takes into account the severity and likelihood of potential impacts occurring.

The impact assessment methodology involved multiple steps to map human rights risks across the many countries in which Hexagon does business. Using reputable human rights indices, Hexagon identified suppliers located in geographic regions where a likelihood exists of a possible adverse human rights impact. Hexagon then evaluated each supplier, obtaining sufficient information and/or documentation to ensure that the supplier (and sub-suppliers, as necessary)

has taken adequate measures to identify, address and remedy any adverse human rights impacts. Hexagon performed a saliency assessment based on the factors of likelihood and severity and formulated action items as necessary to address any suppliers identified as at a high risk of human rights violations. Hexagon is prepared to cease doing business with any supplier where a risk of a human rights violation is identified and the supplier fails to implement appropriate mitigation and/or remediation actions. Hexagon also endeavours to work with impacted stakeholders and communities to ensure human rights impacts are mitigated. Hexagon will continue with these due diligence efforts on a regular basis.

In addition to our work on our priority issues, we have processes in place to identify potential risks with suppliers. Prior to engaging with a new business partner, Hexagon utilizes a supplier questionnaire and scorecard to identify overall supplier risk and decides whether additional due diligence needs to be undertaken regarding any particularly relevant risk. Among other sustainability measures, this questionnaire looks at whether suppliers have an active human rights policy in place. Where concerns are raised, we investigate further before coming to a decision.

We are in the process of identifying particularly high-risk suppliers and high-risk geographies related to relevant raw materials in our supply chain. Currently, high-risk suppliers may trigger additional inquiries and audits before we enter a formal business relationship. Historically, it has been difficult to gain good visibility within certain aspects of our supply chain, due to some of our suppliers also being competitors, and confidentiality being prized highly within the industry. As such, we are in the process of identifying ways to conduct even more thorough due diligence related to these suppliers, possibly through collaboration and building an understanding of the importance of human rights due diligence within the sector.

In addition to suppliers, when we consider a new commercial strategy, merger or acquisition, Hexagon group conducts an ESG due diligence assessment. This includes human rights considerations.

Other actions that Hexagon undertakes to promote human rights throughout our organisation include providing human rights training for all our employees. All employees shall have been provided with this training by the end of 2023.

Next steps

While we had no specific human rights concerns raised in 2022, we continue to work towards improving our policies and practices to actively mitigate any potential human rights risks. If any adverse human rights impacts are identified in our own operations or across our business relationships, we remain committed to transparently communicating these impacts, working to provide appropriate remedies to affected stakeholders, and updating our current policies and procedures to avoid future negative impacts. Our Governance-Team is responsible for this.

Requests for information

Requests for information regarding this Transparency Act statement or Hexagon's human rights due diligence policies and practices at large can be made to legal@hexagongroup.com.